

STATE OF TENNESSEE
FISCAL YEAR 2014-15 ACTION PLAN
EXECUTIVE SUMMARY

The Annual Action Plan serves as the State of Tennessee's annual application to the U.S. Department of Housing and Urban Development (HUD) for funding of HUD's four formula grant programs: Community Development Block Grant (CDBG), Home Investment Partnership Program (HOME), Emergency Solutions Grant (ESG) and Housing Opportunities for Persons Living with AIDS (HOPWA). The Fiscal Year (FY) 2014-15 Action Plan describes actions on behalf of the State of Tennessee to administer and implement the Consolidated Plan grant programs during the State Fiscal Year beginning July 1, 2014 through June 30, 2015.

The names of the grant programs, the administering state agencies and the allocations for FY 2014-15 are as follows:

- Community Development Block Program (CDBG) administered by the Tennessee Department of Economic and Community Development (ECD), allocation: \$25,160,023
- HOME Investment Partnership Program (HOME) administered by Tennessee Housing Development Agency (THDA), allocation: \$10,096,577
- Emergency Solutions Grant (ESG) administered by Tennessee Housing Development Agency (THDA), allocation: \$2,734,930
- Housing Opportunities for Persons with AIDS (HOPWA) administered by the Tennessee Department of Health (DOH), allocation: \$939,055

The Annual Action Plan (AAP) describes the amounts and source of the four formula grant funds expected to be made available during FY 2014-15 and discusses the methods by which funds will be distributed to eligible applicants by the administering agencies. Funds are made available either through a competitive grant process, through a formula basis, or in some cases, both. Also discussed are other federal and non-federal resources administered by THDA and include: Section 8 Housing Choice Voucher Program, Section 8 Contract Administration, the Low Income Housing Tax Credit Program (LIHTC), the BUILD Loan Program, the Community Investment Tax Credit (CITC) program, the Emergency Repair Program for the Elderly (ERP) and the Homeownership Programs.

Objectives and Outcomes

Also contained in the FY 2014-15 Action Plan are the specific objectives the administering agencies, known collectively as the Consolidated Partners, hope to address in the coming year, as they relate to the five-year Consolidated Plan, and the outcome measures by which the administering agencies will measure performance. The specific objectives of the 2010-15 Consolidated Plan are:

1. Increase the amount of affordable housing and preserve the affordable housing stock;
2. Provide for the viability of communities through ensuring infrastructure, community livability, health and safety and economic development;
3. Provide for the housing and supportive services needs of homeless individuals and other special needs populations; and
4. Affirmatively further fair housing and assure access to business opportunities in the state for women and minority owned businesses.

For each of the four objectives, action steps were developed in the five-year plan designed to address the objectives. These action steps and the ways in which each of the programs propose to address the objectives are also discussed. The Consolidated Partners have developed planning documents, included in Appendices C and D of the Annual Action Plan, to better link HUD's outcomes system to the State of Tennessee's objectives, action steps, activities and performance measures.

Past Performance

The state is currently implementing the FY 2013-14 Annual Action Plan. Actual accomplishments for 2013 will be reported in the FY 2013-14 *Consolidated Annual Performance and Evaluation Report (CAPER)* in September 2014. The FY 2012-13 CAPER reflects the performance and accomplishments with FY 2012 program funding. The CDBG, HOME, ESG, and HOPWA programs received a combined allocation of \$38,979,851.¹ Accomplishments during FY 2012-13 include:

- CDBG – A total of 58 awards were contracted to new subrecipients or city and county governments totaling \$24,598,542 through the program. This amount included the 2012-13 award amount plus additional funds that were recaptured, unspent funds from completed projects from previous years. A total of 2,242,951 low- and moderate-income (LMI) persons were assisted.
- HOME – Due to the new HOME rule not being published until July 24, 2013; THDA did not accept any applications or award any HOME funds during FY 2012-13. A total of 312 households were assisted with HOME funds from previous allocation during the FY 2012-13 reporting period. Of those 312 households, 205 were considered very low-income.
- ESG - \$3,619,757 was made available for the ESG Program through a combination of the 2011 Second Allocation funding and the 2012 funding. Two cities and 11 non-profits were awarded the 2011 Second Allocation funds on a competitive basis to provide Homeless Prevention and Rapid Rehousing services, HMIS and program administrative activities. The 2012 ESG funding awarded the first \$100,000 to seven Mental Health Regional Housing Coordinators. Fifty-two percent of the remaining funds were awarded to 11 entitlement cities and the remaining 48 percent was awarded on a competitive basis to non-profits throughout the state. Total ESG funding during the reporting period assisted 7,958 low-, very low-, and extremely low-income persons. Nearly 70 percent of the total beneficiaries served with ESG funds earn between zero and 30 percent of the Area Median Income (AMI).
- HOPWA – The Tennessee Department of Health (DOH) awarded \$947,455 to the seven project sponsors across the state. The HOPWA program reported activity for 468 individuals with HIV/AIDS and 999 affected family members as beneficiaries of HOPWA services.

Also during the FY 2012-13 reporting period, the Consolidated Partners worked together with a third party contractor to develop an Analysis of Impediments to Fair Housing Choice (AI). The purpose of the study is to determine current impediments to fair housing choice in the more rural areas of the state and to suggest actions to consider in order to overcome the identified impediments. The study was finalized on July 12, 2013 and the results are available online at THDA's website (<http://thda.org>). The Consolidated Partners will use the findings to guide a plan of action to affirmatively further fair housing in FY 2014-15.

¹ The combined allocation includes a second allocation of 2011 ESG funds in 2012 for \$863,348.

While Tennessee Housing Development Agency has been designated as the lead agency for Tennessee's Consolidated Planning requirements, all of the administering agencies of the four grant programs participate in the development of the Annual Action Plan and the implementation of their respective programs. The FY 2014-15 Action Plan represents the cooperation of these agencies in working together to further affordable housing and community development in Tennessee. In addition, the plan is developed in consultation with the citizens of our state. The draft plan is made available for review and public comment, according to the guidelines developed in the five-year Consolidated Plan and our Citizen Participation Plan.